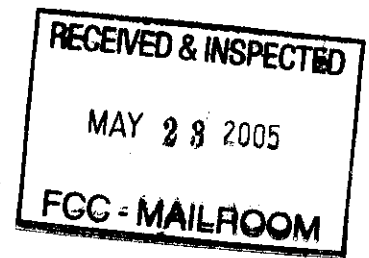


**Before the  
FEDERAL COMMUNICATION COMMISSION  
Washington, D.C. 20554**



In the Matter of	)	
	)	
Request for Review by Colegio	)	
Santa Clara of Decision of	)	Form 471 Application No. 412313
the Universal Service Administrator	)	
	)	
Schools and Libraries Universal Service	)	CC Docket No. 02-6
Support Mechanism	)	
	)	

TO: Wireline Competition Bureau

**REQUEST FOR REVIEW**

Pursuant to Sections 54.719(c) and 54.721 of the Federal Communications Commission ("Commission" or "FCC") rules, 47 C.F.R. §§ 54.719(c) and 54.721 (2003), Colegio Santa Clara ("Colegio Santa Clara") hereby appeals the decision of the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company to reduce the requested discount in Funding Year 2004 (07/01/2004 – 06/30/2005) from 90% to 20%.

**I. BACKGROUND**

On January 30, 2004, Colegio Santa Clara filed a FCC Form 471 with the SLD indicating the services for which it was requesting discounts under the schools and libraries universal service support mechanism (the "E-rate program").<sup>1</sup> On Block 4 of its 471 application, Colegio Santa Clara indicated that 300 out of 350 students enrolled during the 2004-2005 academic year qualified for a free or reduced price lunch under the National School Lunch Program ("NSLP") and requested a 90% discount on all of its funding requests.<sup>2</sup> During the review of Colegio Santa

No. of Copies rec'd \_\_\_\_\_  
List ABCDE \_\_\_\_\_

<sup>1</sup> FCC Form 471 No. 410111, Colegio Santa Clara, filed 01/04/2002 (Exhibit A).

<sup>2</sup> The specific funding requests are nos. 1124552 and 1124554.

Clara's application, the SLD requested documentation supporting the eligible discount rate for the school.<sup>3</sup> Specifically, the information request, which was delivered to Colegio Santa Clara, requested the following information:

1. The total number of enrolled.
2. Total number of surveys/applications sent out
3. Number of survey/application returned
4. Total number of students that qualifies for the National School Lunch Program, using the Income Eligibility Guidelines (IEG) of the NSLP, per returned surveys/applications
5. Are the surveys/applications and results kept on file.
6. Provide a sample copy of the FILLED OUT SURVEY/APPLICATION with the child's personal information crossed out for confidentiality.
7. A signed certification that reads: "I certify that only those students who meet the Income Eligibility of the National School Lunch Program have been included in Column 5 of item 10b, Block 4 (Worksheet A) of the Form 471."
8. The information must be in writing on the school letterhead and signed by a school official (such as the Principal, Vice – Principal Superintendent, Director of Food Services.

On December 21, 2004 Colegio Santa Clara provided the information requested to the SLD on the school letterhead and signed by the school Principal, Lillivette Torres.<sup>4</sup> In its response, Colegio Santa Clara indicated that there were 350 students enrolled, that 350 surveys/applications were sent out and that 350 surveys/applications were returned. It also indicates from those 350 survey/applications returned 300 students qualifies for the NSLP, that the surveys/applications and its results are kept on file and certified that only the students who meet the IEG of the NSLP had being included in Column 5 item 10b of block 4 (worksheet A) of the Form 471. Colegio Santa Clara also provided a sample copy of the socio-economic survey<sup>5</sup>.

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<sup>3</sup> See e-mail from Nancy Rocco, Schools and Libraries Division, Program Integrity Assurance, to Dr. Madeline Melgen, dated November 3, 2004 (Exhibit B).

<sup>4</sup> See Letter from Colegio Santa Clara Principal, Lillivette Torres to Schools and Libraries Division, Program Integrity Assurance, dated December 14, 2004 (Exhibit C).

<sup>5</sup> See ESTUDIO SOCIOECONOMICO (Exhibit D)

On March 24, 2005 the SLD issued a funding commitment decision letter reducing the discount rate from 90% to 20%.<sup>6</sup> “The site – specific discount was corrected” is the only indication related to the percentage awarded. The SLD provided no explanation on the reason for the percentage reduction.

The survey, which had been provided to the SLD during the PIA review process, asked parents to provide the size of the family, the number of students enrolled in the school, and the household income. Out of the 350 surveys distributed, 350 of the students completed the survey. From the 350 completed surveys, 300 (85.71 %) were determined to be eligible for a free or reduced price lunch under the NSLP in accordance with the Income Eligibility Guidelines of the U.S. Department of Agriculture. Following the SLD’s guidelines, Colegio Santa Clara concluded that 300 students, or 85.71 % of its student population, qualified for a free or reduced-price lunch under the NSLP. Using the discount matrix set forth in the FCC rules, a school with 85.71 % of its student population eligible for the national school lunch program qualifies for 90% discount under the schools and libraries universal service support mechanism.

## **II. COLEGIO SANTA CLARA CORRECTLY DETERMINED THE PERCENTAGE OF STUDENTS ELIGIBLE FOR A FREE OR REDUCED-PRICE LUNCH UNDER THE NSLP.**

Under the Commission’s rules, the discount available to a particular school is determined by indicators of poverty and high relative cost of service.<sup>7</sup> First, the level of poverty for schools is measured by the percentage of their student enrollment that is eligible for a free or reduced-price lunch under the NSLP or a federally-approved alternative mechanism outlined in Title I of

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<sup>6</sup> See Letter from Schools and Libraries Division, Universal Service Administrative Company to Colegio Santa Clara, dated March 24, 2005

<sup>7</sup> 47 C.F.R. § 54.505(b).

the Improving America's School Act (IASA).<sup>8</sup> These federally-approved alternative mechanisms include data comparable to the NSLP data that is collected through surveys. As the Commission has acknowledged, surveys are particularly relevant to schools that many not have access to NSLP data, such as private schools.<sup>9</sup> Second, a school's high-cost status is derived from rules that classify it as urban or rural.<sup>10</sup> The Commission's rules provide a matrix reflecting both the school's urban or rural status and the percentage of its students who are eligible for the school lunch program to establish its discount rate, ranging from 20 percent to 90 percent.<sup>11</sup> Because NSLP data is unavailable for Colegio Santa Clara, it used a federally-approved alternative mechanism that relies on actual counts of low-income children to determine the level of poverty.

### **III. THE SLD ERRONEOUSLY CONCLUDED THAT THE SURVEY SUBMITTED IN SUPPORT OF THE 90% DISCOUNT FAILED TO MEET THE MINIMUM REQUIREMENTS.**

Colegio Santa Clara submitted to the SLD exactly what it was asked to submit: (a) the total number of students (350 students), (b) the number of surveys/applications sent out (350), (c) the number of surveys/applications returned (350) (d) the number of students qualified to participate in the NSLP, 300 (based on the SLD projection guidelines), (e) if the survey/applications were kept on file, yes, (f) and (g) certification that only students that meet the IEG of the NSLP have been included in Column 5, item 10b of block 4 (worksheet A) of the Form 471. In addition, Colegio Santa Clara provided a sample copy of the socio-economic

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<sup>8</sup> 47 C.F.R. § 54.505(b)(1); *Federal-State Joint Board on Universal Service*, Report and Order, CC Docket No. 96-45, FCC 97-157, 12 FCC Rcd 8776, ¶¶ 508-09 (rel. May 8, 1997).

<sup>9</sup> See *School for Language and Communication Development*, Order, 17 FCC Rcd 15166 (rel. Aug. 6, 2002).

<sup>10</sup> 47 C.F.R. §§ 54.505(b)(3)(i), (ii).

<sup>11</sup> 47 C.F.R. § 54.505(c).

survey conducted by the school. No additional documentation supporting the eligible discount rate for the school was requested.

#### **IV. CONCLUSION**

Colegio Santa Clara provided clear evidence to the SLD that it qualified for a 90% discount under the E-rate program since 300 out of 350 students (85.71 % of the student population) were eligible for a free or reduced price lunch under the NSLP. This data was collected through a survey that was conducted in accordance with the SLD's guidelines. Furthermore, the school provided the SLD with all the information that was requested during the application review process. Therefore, the SLD erred in its decision to reduce the discount rate from the requested 90% to 20%. Colegio Santa Clara respectfully requests that the Commission reverse the SLD's denial of the school's appeal and reinstate its application to be funded at a 90% discount.

Respectfully submitted,

**COLEGIO SANTA CLARA**



/s/ Lillivette Torres

Principal, Colegio Santa Clara

Colegio Santa Clara

Tel (787) 768-7110

Fax: (787)757-5044

March 08, 2005

HELP

**FCC Form 471**

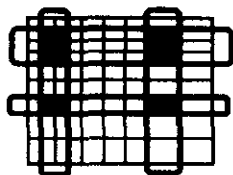
Services Ordered and Certification Form

**Applicant's Form Identifier: TEL159163****Entity Number: 159163****Contact Person: Madeline Melgen Ed D Phone Number: (787) 731-6100 Ext. 234**

**Please record this application's information in a secure place for future  
reference**

**471 Application Number: 410111****Entity Number of Billed Entity (Applicant): 159163****Security Code Number: 91772**Continue >>

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Reserved



# NEVESEM, INC.

MSC 608, 138 Ave. Winston Churchill, San Juan, P.R. 00926-6023 Tel.(787)706-2700

Date: December 18, 2003  
 To: Colegio Santa Clara  
 Entity #: 159163  
 Application#: \_\_\_\_\_

## Year 2004 Quote

Item 21 Attachment

### Internet Access

Bundled Services	Initial Charge	Monthly Charge	Annual Charge
256 Kbps Access & Transport		\$ 895	\$ 10,740
Internet Service Maintenance		\$ 158	\$ 1,896
Basic User Training	\$ 1,150		
Setup Charge (Installation)	\$ 4,050		
Project Management	\$ 810		
Total	\$ 6,010	\$ 1,053	\$ 12,636
Grand Total	\$ 18,646		

**Schools and Libraries Universal Service Program  
Services Ordered and Certification Form 471  
Application Display**

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**Block 1: Billed Entity Information**

**Applicant's Form Identifier:**

TEL159163

**471 Application Number:**  
410111

**Funding Year:** 07/01/2004 -  
06/30/2005

**Billed Entity Number:**  
159163

**Cert. Postmark Date:**

**Form Status:** INCOMPLETE

**RAL Date:**

**Out of Window Letter Date:**

**Name:** Colegio Santa Clara

**Address:** ?

**City:** State: PR **Zip:** 00983

**Phone:** 787-768-7110 **Ext:**

**Fax:** 787-757-5044

**E-mail:**

**Contact Name:** Madeline Melgen Ed D

**Address:** Road 177 Building 2021, Camino Alejandrino

**City:** Guaynabo **State:** PR **Zip:** 00969 5140

**Contact Phone:** 787-731-6100 **Ext:** 234

**Contact Fax:** 787-731-0000 **Ext:**

**E-mail:** mmelgen@escuelascatolicas-sj.org

**Contact Mode:** FAX

**Alternate Contact Info.:** via e-mail

**Type of Application:** SCHOOL

**Ineligible Orgs:** N

**Block 3: Impact of Services Ordered in THIS Application**

**Number of students to be served:** 350

**Number of library patrons to be served:**



SERVICE DESCRIPTION	BEFORE ORDER	AFTER ORDER
a. (Schools/districts/consortia only) Telephone service: How many classrooms had phone service before and after your order?	2	2
b. High-bandwidth voice/data/video service: How many buildings served before and after your order?	1	5
c. High-bandwidth voice/data/video service: Highest speed to a building before and after your order?	56	256
d. Dial-up Internet connections: How many before and after your order?	1	1
e. Dial-up Internet connections: Highest speed before and after your order?	56	56
f. Direct connections to the Internet: How many before and after your order?	0	1
g. Direct connections to the Internet: Highest speed before and after your order?	0	256
h. Internet access(for schools): How many rooms have Internet access before and after your order?	1	22
i. Internet Access: How many computers (or other devices) with Internet access before and after your order?	1	33

#### Block 4: Worksheets

**Worksheet A No:** 564866      **Student Count:** 350

**Weighted Product (Sum. Column 8):** 315

**Shared Discount:** N/A

**1. School Name:** Colegio Santa Clara

**2. Entity Number:**

159163

**3. Rural/Urban:** Urban

**4. Student Count:**

350

**5. NSLP Students:**

300

**6. NSLP Students/Students:** 85.714%

**7. Discount:** 90%

**8. Weighted Product:** 315

#### Block 5: Discount Funding Request(s)

<b>FRN: 1124552 FCDL Date:</b>	
<b>11. Category of Service:</b> Telecommunications Service	<b>12. 470 Application Number:</b> 114490000470468
<b>13. SPIN:</b> 143012431	<b>14. Service Provider Name:</b> Puerto Rico Telephone Company, Inc.
<b>15. Contract Number:</b> T	<b>16. Billing Account Number:</b> 787-768-7110
<b>17. Allowable Contract Date:</b> 01/01/2004	<b>18. Contract Award Date:</b>
<b>19a. Service Start Date:</b> 07/01/2004	<b>19b. Service End Date:</b> 06/30/2005
<b>20. Contract Expiration Date:</b>	
<b>21. Attachment #:</b> 1	<b>22. Block 4 Entity Number:</b> 159163
<b>23a. Monthly Charges:</b> \$175.00	<b>23b. Ineligible monthly amt.:</b> \$.00
<b>23c. Eligible monthly amt.:</b> \$175.00	<b>23d. Number of months of service:</b> 12
<b>23e. Annual pre-discount amount for eligible recurring charges ( 23c x 23d):</b> \$2,100.00	
<b>23f. Annual non-recurring (one-time) charges:</b> \$.00	<b>23g. Ineligible non-recurring amt.:</b> \$.00
<b>23h. Annual pre-discount amount for eligible non-recurring charges ( 23f - 23g):</b> \$0.00	
<b>23i. Total program year pre-discount amount ( 23e + 23h):</b> \$2,100.00	
<b>23j. % discount (from Block 4):</b> 90	
<b>23k. Funding Commitment Request ( 23i x 23j):</b> \$1,890.00	

<b>FRN: 1124554 FCDL Date:</b>	
<b>11. Category of Service:</b> Internet Access	<b>12. 470 Application Number:</b> 114490000470468
<b>13. SPIN:</b> 143022659	<b>14. Service Provider Name:</b> A New Vision in Educational Services and Materials (NEVESEM)
<b>15. Contract Number:</b> MTM	<b>16. Billing Account Number:</b> 159163
<b>17. Allowable Contract Date:</b> 01/01/2004	<b>18. Contract Award Date:</b>
<b>19a. Service Start Date:</b> 07/01/2004	<b>19b. Service End Date:</b> 06/30/2005
<b>20. Contract Expiration Date:</b>	
<b>21. Attachment #:</b> 2	<b>22. Block 4 Entity Number:</b> 159163
<b>23a. Monthly Charges:</b> \$1,053.00	<b>23b. Ineligible monthly amt.:</b> \$.00
<b>23c. Eligible monthly amt.:</b> \$1,053.00	<b>23d. Number of months of service:</b> 12
<b>23e. Annual pre-discount amount for eligible recurring charges ( 23c x 23d):</b> \$12,636.00	
<b>23f. Annual non-recurring (one-time) charges:</b> \$6,010.00	<b>23g. Ineligible non-recurring amt.:</b> \$.00
<b>23h. Annual pre-discount amount for eligible non-recurring charges ( 23f - 23g):</b> \$6,010.00	

\$0,010.00

**23i. Total program year pre-discount amount ( 23e + 23h): \$18,646.00**

**23j. % discount (from Block 4): 90**

**23k. Funding Commitment Request ( 23i x 23j): \$16,781.40**

### **Block 6: Certifications and Signature**

24a. Schools: Y

24b. Libraries or Library Consortia: N

26a. Individual Technology Plan: N

26b. Higher-Level Technology Plan(s): Y

26c. No Technology Plan Needed:

27a. Approved Technology Plan(s): Y

27b. State Approved Technology Plan: N

27c. No Technology Plan Needed:

36. Printed Name of Authorized Person: LILLIVETTE TORRES

37. Title or Position of Authorized Person: PRINCIPAL

38a. Address: VIA 14 #2JL 456

VILLA FONTANA

City: CAROLINA State: PR Zip: 00983

38b. Telephone Number of Authorized Person: (787) 768-7110 ext.

38c. Fax Number of Authorized Person: (787) 757 - 5044

38d. Email address of Authorized Person:

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EXHIBIT B

# USAC

## Universal Service Administrative Company Schools & Libraries Division

---

Date: 11/03/2004

Dear Madeline Melgen,  
Applicant Name (All Puerto Rico Applications you have)  
Contact Number: 1-787-731-6100  
Application Number(s): Multiple

The Program Integrity Assurance (PIA) team is in the process of reviewing all Form 471 Applications for schools and libraries discounts to ensure that they are in compliance with the rules of the federal universal service program. We are currently in the process of reviewing your Funding Year 2004 Form 471 Application. To complete our review, we need some additional information. The information needed to complete the review is listed below.

Madeline, we are trying to find out how you get your discount information for NSLP. I'm sure you have something different, however, we will need to have documentation for all the Schools, Public, Private, Academies, Catholic, etc., with the **Total Student Enrollment** and those eligible for **Free (Gratis) & Reduced (Reducido) lunches**.

I tried to call the E-Rate coordinator for Puerto Rico, but no one spoke English.

If there is anything you can do, it will certainly speed up processing the applications. I don't know if you are the only one working on the applications for Puerto Rico, if there are others we will need a complete list of the schools with the information above.

Thanks so much for your prompt attention in this matter.

If you have already submitted the Item 21 Attachments, please fax an EXACT COPY of the Item 21 Attachments that were previously submitted. If you do not wish to resubmit the Item 21 Attachment, you are not required to do so. We will process your application once the Item 21 Attachments have been scanned into our system.

Please fax or e-mail the requested information to my attention. If you have any questions, please feel free to contact me.

It is important that we receive all of the information requested so we can complete our review. **Failure to do so may result in a reduction or denial of funding.**

**Please send the requested information within seven calendar days. If you need additional time to prepare your response, please let me know as soon as possible.**

Thank you for cooperation and continued support of the Universal Service Program.

Sincerely,

Nancy A. Rocco  
Schools And Libraries Division  
Program Integrity Assurance  
Phone: 973-884-8250  
FAX: 973-599-6522  
nrocco@sl.universalservice.org

# COLEGIO SANTA CLARA

VIA 14 VILLA FONTANA • CAROLINA, PUERTO RICO 00983

December 21, 2004.

Schools and Libraries Division  
Program Integrity Assurance

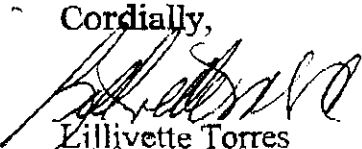
Colegio Santa Clara wants to certify the following information:

- |  |     |
|--|-----|
| 1. Total number of students enrolled   | 350 |
| 2. Number of surveys/applications sent out   | 350 |
| 3. Number of surveys/applications returned   | 350 |
| 4. Total number of students qualified for NSLP<br>(As per the returned surveys/applications) | 300 |
| 5. Are the surveys/applications and results kept on file                                     | YES |

"I certify that only those students who meet the Income Eligibility Guidelines of the National School Lunch Program have been included in Column 5 Item 10b of Block 4 (worksheet A) of the Form 471".

Enclosed is a copy of the survey applied.

Cordially,



Lillivette Torres  
Principal

mza

COLEGIO SANTA CLARA  
VILLA FONTANA, CAROLINA

Fecha: Agosto 11, 2003

ESTUDIO SOCIOECONOMICO  
Año ESCOLAR 2003-04

Nombre del Estudiante: ~~Angela~~ ~~DO~~ Flores

Nombre del padre o encargado: Ruben Flores

Ingreso Anual 14,000<sup>00</sup>

Nombre de la madre: Evelyn Alicea

Total ingreso anual familiar: 25,000<sup>00</sup>

Total miembros de la familia: 4

Número de estudiantes matriculados en el Colegio: 1

Evelyn Alicea  
Firma madre, padre o encargado



**Universal Service Administrative Company**  
Schools & Libraries Division

**FUNDING COMMITMENT DECISION LETTER**

(Funding Year 2004: 07/01/2004 - 06/30/2005)

March 24, 2005

Madeline Melgen Ed D  
Colegio Santa Clara  
Road 177 Building 2021  
Camino Alejandrino  
Guaynabo, PR 00969-5140

Re: Form 471 Application Number: 410111  
Funding Year 2004: 07/01/2004 - 06/30/2005  
Billed Entity Number: 159163  
Applicant's Form Identifier: TEL159163

Thank you for your Funding Year 2004 E-rate application and for any assistance you provided throughout our review. Here is the current status of the funding request(s) featured in the Funding Commitment Report at the end of this letter.

- The amount, \$4,149.20 is "Approved."

Please refer to the Funding Commitment Report on the page following this letter for specific funding request decisions and explanations.

The Important Reminders and Deadlines immediately preceding this letter are provided to assist you throughout the application process.

**NEXT STEPS**

- Review technology planning approval requirements
- Review CIPA Requirements
- File Form 486
- Invoice the SLD using the Form 474 (service providers) or Form 472 (Billed Entity)

**FUNDING COMMITMENT REPORT**

On the pages following this letter, we have provided a Funding Commitment Report for the Form 471 application cited above. The enclosed report includes a list of the Funding Request Number(s) (FRNs) from your application. The SLD is also sending this information to your service provider(s) so preparations can be made to begin implementing your E-rate discount(s) after you file your Form 486. Immediately preceding the Funding Commitment Report, you will find a guide that provides a definition for each line of the Report.

**TO APPEAL THIS DECISION:**

If you wish to appeal the decision indicated in this letter, your appeal must be received by the SLD or postmarked withing 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify which Funding Commitment Decision(s) you are appealing. Indicate the relevant funding year and the date

of the FCDL. Your letter of appeal must also include the Billed Entity Name, the Form 471 Application Number, and the Billed Entity Number from the top of your letter.

3. When explaining your appeal, copy the language or text from the Funding Commitment Report that is at the heart of your appeal, to allow the SLD to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an authorized signature on your letter of appeal.

If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125 - Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We encourage the use of either the e-mail or fax filing options.

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received by the FCC or postmarked within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, sent to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use either the e-mail or fax filing options.

#### NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the Schools and Libraries Universal Service Support Mechanism. Applicants who have received funding commitments continue to be subject to audits and other reviews that USAC and/or the FCC may undertake periodically to assure that funds that have been committed are being used in accordance with all such requirements. The SLD may be required to reduce or cancel funding commitments that were not issued in accordance with such requirements, whether due to action or inaction, including but not limited to that by the SLD, the applicant, or the service provider. The SLD, and other appropriate authorities (including but not limited to USAC and the FCC), may pursue enforcement actions and other means of recourse to collect erroneously disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

Schools and Libraries Division  
Universal Service Administrative Company



## A GUIDE TO THE FUNDING COMMITMENT REPORT

A report for each E-rate funding request from your application is attached to this letter. We are providing the following definitions for the items in that report.

**FORM 471 APPLICATION NUMBER:** The unique identifier assigned to a Form 471 application by the SLD.

**FUNDING REQUEST NUMBER (FRN):** A Funding Request Number is assigned by the SLD to each Block 5 of your Form 471 once an application has been processed. This number is used to report to applicants and service providers the status of individual funding requests submitted on a Form 471.

**FUNDING STATUS:** Each FRN will have one of the following definitions:

1. An FRN that is "Funded" is approved at the level that the SLD determined is appropriate for this FRN. The funding level will generally be the level requested unless the SLD determines during the application review process that some adjustment is appropriate.
2. An FRN that is "Not Funded" is one for which no funds were committed. The reason for the decision will be briefly explained in the "Funding Commitment Decision Explanation." An FRN may be "Not Funded" because the request does not comply with program rules, or because the total amount of funding available for this Funding Year was insufficient to fund all requests.
3. An FRN that is "As Yet Unfunded" reflects a temporary status that is assigned to an FRN when the SLD is uncertain at the time the letter is generated whether there will be sufficient funds to make commitments for requests for Internal Connections at a particular discount level. For example, if your application included requests for discounts on both Telecommunications Services and Internal Connections, you might receive a letter with funding commitments for your Telecommunications Services funding requests and a message that your Internal Connection requests are "As Yet Unfunded." You would receive one or more subsequent letters regarding the funding decision on your Internal Connections requests.

**SERVICES ORDERED:** The type of service ordered from the service provider, as shown on your Form 471.

**SPIN (Service Provider Identification Number):** A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support mechanisms. A SPIN is also used to verify delivery of services and to arrange for payment.

**SERVICE PROVIDER NAME:** The legal name of the service provider.

**CONTRACT NUMBER:** The number of the contract between the eligible party and the service provider. This will be present only if a contract number was provided on your Form 471.

**BILLING ACCOUNT NUMBER:** The account number that your service provider has established with you for billing purposes. This will be present only if a Billing Account Number was provided on your Form 471.

**SERVICE START DATE:** The date services were reported to start for this FRN on your Form 471.

**CONTRACT EXPIRATION DATE:** The date the contract expires. This will be present only if a contract expiration date was provided on your Form 471.

**SITE IDENTIFIER:** The Entity Number listed in Form 471, Block 5, Item 22a. This will be present only for "site specific" FRNs.

**ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE RECURRING CHARGES:** Eligible monthly pre-discount amount approved for recurring charges multiplied by number of months of recurring service approved for the funding year.

**ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE NON-RECURRING CHARGES:** Annual eligible non-recurring charges approved for the funding year.

**PRE-DISCOUNT AMOUNT:** Amount in Form 471, Block 5, Item 23I, as determined through the application review process.

DISCOUNT PERCENTAGE APPROVED BY THE SLD: The discount rate that the SLD has approved for this service.

FUNDING COMMITMENT DECISION: This represents the total amount of funding that the SLD has reserved to reimburse your service provider for the approved discounts for this service for this funding year. It is important that you and your service provider both recognize that the SLD should be invoiced and the SLD may direct disbursement of discounts only for eligible, approved services actually rendered.

FUNDING COMMITMENT DECISION EXPLANATION: This entry provides an explanation of the amount in the "Funding Commitment Decision."

# FUNDING COMMITMENT REPORT

Form 471 Application Number: 410111  
Funding Request Number: 1124552 Funding Status: Funded  
Services Ordered: Telecommunications Service  
SPIN: 143012431 Service Provider Name: Puerto Rico Telephone Company, :  
Contract Number: T  
Billing Account Number: 787-768-7110  
Service Start Date: 07/01/2004  
Contract Expiration Date: 06/30/2005  
Site Identifier: 159163  
Annual Pre-discount Amount for Eligible Recurring Charges: \$2,100.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00  
Pre-discount Amount: \$2,100.00  
Discount Percentage Approved by the SLD: 20%  
Funding Commitment Decision: \$420.00 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: The site-specific discount was corrected.

Funding Request Number: 1124554 Funding Status: Funded  
Services Ordered: Internet Access  
SPIN: 143022659 Service Provider Name: A New Vision in Educational Serv  
Contract Number: ONE TIME  
Billing Account Number: 159163  
Service Start Date: 07/01/2004  
Contract Expiration Date: 06/30/2005  
Site Identifier: 159163  
Annual Pre-discount Amount for Eligible Recurring Charges: \$12,636.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$6,010.00  
Pre-discount Amount: \$18,646.00  
Discount Percentage Approved by the SLD: 20%  
Funding Commitment Decision: \$3,729.20 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: The site-specific discount was corrected.

Schools and Libraries Division  
Box 125 - Correspondence Unit  
80 South Jefferson Road  
Whippany, New Jersey 07981

00290  
Madeline Melgen Ed D  
Colegio Santa Clara  
Road 177 Building 2021  
Camino Alejandrino  
Guaynabo, PR 00969-5140

## IMPORTANT REMINDERS & DEADLINES

Date: March 24, 2005  
471 : 410111  
BEN : 159163

The following information is provided to assist you throughout the application process. We recommend that you keep it in an easily accessible location and that you share it with the appropriate members of your organization.

**FORM 486 DEADLINE** - The Form 486 must be postmarked no later than 120 days after the Service Start Date you report on the Form 486 or no later than 120 days after the date of the Funding Commitment Decision Letter, whichever is later. If you are required to have a Technology Plan, that plan must be approved by the start of service for this funding year, you must indicate the SLD Certified Technology Approver who approved your plan and you must retain your approval letter and documentation of your monitoring of the progress toward your stated goals.

**CHILDREN'S INTERNET PROTECTION ACT (CIPA)** - You must be in compliance with CIPA and cannot request a waiver, if FY2004 is your Third Funding Year for the purposes of CIPA.

**INVOICE DEADLINE** - Invoices must be postmarked no later than 120 days after the last date to receive service - including extensions - or 120 days after the date of the Form 486 Notification Letter, whichever is later. Invoices should not be submitted until the invoiced products and services have been delivered and billed, and (for BEAR Forms) the provider has been paid.

**OBLIGATION TO PAY NON-DISCOUNT PORTION** - Applicants are required to pay the non-discount portion of the cost of the products and/or services. Service providers are required to bill applicants for the non-discount portion. The FCC has stated that requiring applicants to pay their share ensures efficiency and accountability in the program. If you are using a trade-in as part of your non-discount portion, please refer to the SLD web site.

**RETAIN DOCUMENTATION** - Applicants must retain documentation, including but not limited to, documents showing:

- compliance with all applicable competitive bidding requirements,
- products and/or services delivered (e.g., customer bills detailing make, model and serial number),
- resources necessary to make effective use of E-rate discounts, including the purchase of equipment such as workstations not eligible for support,
- the specific location of each item of E-rate funded equipment, and
- the applicant has paid the non-discount portion.

These documents must be retained and available for review for 5 years.

**SUSPENSION AND DEBARMENT** - Persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the Schools and Libraries Support Mechanism are subject to suspension and debarment from the program.

**FREE SERVICES ADVISORY** - Applicants and service providers are prohibited from using the Schools and Libraries Support Mechanism to subsidize the procurement of ineligible or unrequested products and services, or from participating in arrangements that have the effect of providing a discount level to applicants greater than that to which applicants are entitled.

Complete program information - including more information on these reminders - is posted to the Schools and Libraries Division (SLD) web site at [www.sl.universalservice.org](http://www.sl.universalservice.org). You may also contact the SLD Client Service Bureau by e-mail using the "Submit a Question" link on the SLD web site, by fax at 1-888-276-8736 or by phone at 1-888-203-8100.